

STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D

11 AUG -1 P2:24

TO: Chief Procurement Officer

STATE PROCUREMENT OFFICE
STATE OF HAWAII

FROM: Department of Agriculture
Name of Requesting Department

SUBJECT: Request for Exemption

Pursuant to HRS §103D-102(b)(4) and HAR Chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction.

Sponsorship of Pacific Basin Communications for two events that are aligned with the "Buy Local, It Matters" Campaign and the "Seals of Quality" Program of the Market Development Branch in the amounts of \$10,000 and \$15,000 respectively.

2. Vendor/Contractor Name :

Pacific Basin Communications

3. Amount of Request:

\$ 25,000

4. Term of Contract: From: 8/19/2011 To: 12/24/2011

5. Prior Exemption
Reference No.:

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

The Made in Hawaii Festival follows the provisions of ACT 80, Relating to Hawaii Made Products and is considered the event for people seeking items that are made or produced in Hawaii. A major component of the festival, attended by over 35,000 people, is the cooking demonstrations, estimated attendance of 3,000, that occurs over the 3-day event. Pacific Basin Communications has been selected (third year) as the coordinator for the cooking demonstrations that highlights the "Buy Local, It Matters" call-to-action campaign and features local products as ingredients. It would not be practicable or advantageous for the department to sponsor another cooking demonstration because this event, with a 17-year history, local recognition and wide publicity, can send the "Buy Local, It Matters" message in a manner that is aligned with the marketing branch that would be difficult for the department to match with the resources available. The estimated total budget for this event is \$329,700, both cash and in-kind, with the value of the publicity estimated to be \$25,000. (Continued on separate sheet attached)

7. In selecting the vendor/contractor, explain in detail, the process the department will utilize to maximize fair and open competition:

The selection process was affected by the department's decision to prepare one request for sponsorship of the two events conducted by Pacific Basin Communications that promoted both marketing campaigns. This decision occurred in May and the new proposal was not in time to be considered in Fiscal Year 2011 and time constraint has become a factor. The department then considered if we could conduct similar activities and if other events would be as effective in promoting the "Buy Local, It Matters" an "Seal of Quality" messages and determined that this proposal, that included wide promotion and recognition, purchase of the local products to feature as decor and in demonstrations, merited sponsorship.

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

The Made in Hawaii Festival follows the provisions of ACT 80, Relating to Hawaii Made Products and is considered the event for people seeking items that are made or produced in Hawaii. A major component of the festival, attended by over 35,000 people, is the cooking demonstrations, estimated attendance of 3,000, that occurs over the 3-day event. Pacific Basin Communications has been selected (third year) as the coordinator for the cooking demonstrations that highlights the "Buy Local, It Matters" call-to-action campaign and features local products as ingredients. It would not be practicable or advantageous for the department to sponsor another cooking demonstration because this event, with a 17-year history, local recognition and wide publicity, can send the "Buy Local, It Matters" message in a manner that is aligned with the marketing branch that would be difficult for the department to match with the resources available.

The estimated total budget for this event is \$329,700, both cash and in-kind, with the value of the publicity estimated to be \$25,000. Pacific Basin Communications, as the parent company of the Honolulu Magazine, published a 20-page article, "Farm to Table", in the July 2011 issue. This feature described six dishes from Hawaii restaurants that use local products and showed the farmers who made the ingredients possible. The magazine is hosting a dedicated web page for the cooking demonstrations at the Made in Hawaii Festival that will contain the Chefs' recipes as well as "Buy Local, It Matters" information. The distribution of the magazine is 35,000 and the website is expected to have 70,000 unique visitors per month, with the web page to remain active for a year.

The Annual Hale Aina Awards features the best of the best in the dining industry and promotes and demonstrates the quality/range of local products available to chefs -- this message aligns with the "Seal of Quality" Program whose message is to brand 100% Hawaii-grown, Hawaii-produced agricultural products. It would not be practicable or advantageous for the department to sponsor another dining awards event because this event, with a 28-year history, local recognition and wide publicity, can send the "Seal of Quality" message in a manner that is aligned with the marketing branch that would be difficult to match with the resources available.

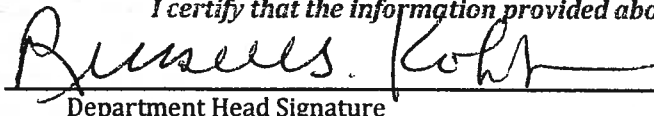
The estimated total budget for this event is \$90,000, both cash and in-kind, with the value of the publicity estimated at \$30,000. Pacific Basin Communications, as the parent company of the Honolulu Magazine, published the "Hale Aina" issue in January 2011 listing the winners of 2010 and promoting the 2011 event; the August 2011 issue included a ballot insert for the 2011 event. This event promotes a gift basket of "Seal of Quality" products that will be awarded to a randomly selected entry -- in 2010, there were 932 entries from the state and national level and included entries from international locations. The web page will contain Seal of Quality information that will be hosted for a year. The distribution of the magazine is 35,000 and the website is expected to have 70,000 unique visitors per month, with the web page to remain active for a year.

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process and has completed mandatory training. (Type over "example" and delete cells not used)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Chairperson Russell Kokubun	HDOA	973-9550	russell.s.kokubun@hawaii.gov
Deputy James Nakatani	HDOA	973-9553	james.nakatani@hawaii.gov
Administrative Services Officer Keith Aragaki	HDOA	973-9606	keith.l.aragaki@hawaii.gov
Sharon Hurd	HDOA	973-9465	sharon.k.hurd@hawaii.gov

9. The department shall ensure adherence to applicable administrative and statutory requirements, and all requirements, approvals, and internal controls for this request are the responsibility of the department.

I certify that the information provided above is, to the best of my knowledge, true and correct.


Department Head Signature

7/28/11
Date

For Chief Procurement Officer Use Only

Date Notice Posted

8/2/11

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from date notice posted to:

Chief Procurement Officer
State Procurement Office P.O.
Box 119 Honolulu, Hawaii
96810-0119

10. Chief Procurement Officer (CPO) Comments:

Due to time constraints, this one time approval is granted. All future awards/sponsorships are to be issued via a public solicitation. The department shall issue annually or as appropriate a solicitation pursuant to HRS section 103D-303, competitive sealed proposals/request for proposals (RFP). The RFP shall disclose the department's intention for seeking proposals, including a description of the performance or benefit required, scope or parameters of the service/activity, terms and conditions, requirements of such sponsorships, estimated funding, criteria/evaluation factors, etc.

This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply and award is required to be posted on the Awards Reporting System.

☒ Approved ☐ Disapproved ☐ No Action Required


Chief Procurement Officer Signature

8/11/2011
Date